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DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 10, 1992

TO: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Jesse Kelley, Reclamation Engineer *JK*

RE: Approval of Operator Responses to Division Order DO-92A, Cyprus Plateau Mining Corporation, Star Point Mine, ACT/007/006, Folder #2, Carbon County, Utah

SYNOPSIS

The Division issued Division Order DO-92A on February 18, 1992 in order to correct six permit deficiencies. On May 4, 1992, the operator submitted responses to Items 1, 2, 3, 5 and 6 of DO-92A. Later, on May 29, 1992, the operator submitted a response to Item 4. This memorandum constitutes the writer's review and approval of all the material submitted by the operator in response to DO-92A.

ANALYSIS

Item 1 -- The permit is deficient in that it does not commit the operator to provide the certified refuse pile inspection reports required by R645-301-514.230.

The operator responded to this item in the May 4, 1992 submittal. The response is modified PAP page 500-2, which commits the operator to providing the required reports.

Item 2 -- The permit is deficient in that it does not commit the operator to certify all impoundments on an annual basis, as required by R645-301-514.311.

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The operator responded to this item in the May 4, 1992 submittal. The response is modified PAP page 500-2, which commits the operator to performing the required annual impoundment certifications.

Item 3 -- The permit is deficient in that, even though it provides for conducting mining operations within 100 feet of County Road No. 290, it does not demonstrate that the interests of the public and affected landowners will be protected, as required by R645-103-234.

R645-103-234 requires that the operator provide an opportunity for a public hearing regarding mining operations to be conducted within 100 feet of any public road. The Division must then make a written finding to the effect that the interests of the public and affected landowners will be protected.

The operator responded to this item in the May 4, 1992 submittal and in a letter to the Division dated April 27, 1992. The response in the May 4 submittal is a copy of a newspaper advertisement, placed by the operator in the Sun Advocate of April 14, 1992, requesting public comment on mining near County Road 290 and scheduling a public hearing on the matter. The April 27 letter to the Division then states that no public comment was received and no public hearing held and requests that the Division make a written finding as required by R645-103-234.

The operator has complied with the requirements of R645-103-234 as required in Item 3 of DO-92A. The writer therefore finds that the public and affected landowners will be adequately protected from mining operations conducted within 100 feet of County Road No. 290.

Item 4 -- The permit is deficient in that it exempts Treatment Facility No. 1 (Pond 1), Pond 3 and Pond 5 from meeting certain requirements of the R645 rules. Provision for such exemptions was made in the old UMC 800 rules, but is absent from the R645 rules. In particular, Pond 1 does not demonstrate the static stability safety factor of 1.3 required by R645-301-533.100 and lacks the spillway(s) required by R645-301-742.223 as well. Pond 3 and 5 lack the spillway(s) required by R645-301-742.223.

The operator corrected the spillway deficiencies of Pond 1, 2 and 3 by adding the required spillways in response to Division Order DO-91A, which was issued September 25, 1991. The complete response to DO-91A, which included

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the submission of certified engineering designs and inspections, was approved by Division Hydrologist Tom Munson in an April 23, 1992 memorandum and received final Division approval in a May 13, 1992 letter from Permit Supervisor Pamela Grubaugh-Littig to the operator. The May 4, 1992 submittal recounts the history of the ponds and refers to the correction of the deficiencies in revised PAP pages 500-52 through 500-54.

The operator corrected the stability safety factor deficiency of Pond 1 by submitting for Division approval, on May 29, 1992, a stability analysis of Pond 1 done by Applied Geotechnical Engineering Consultants, Inc. (AGEC) of Midvale, Utah. For this analysis, AGEC reevaluated the assumptions about the cohesion of the pond embankment material made in a previous analysis and collected and analyzed additional samples. Using this additional data, AGEC demonstrated that the embankments of Pond 1 have a static safety factor of at least the required 1.3. This writer reviewed the AGEC analysis and formally approved it in a June 4, 1992 memorandum to Pamela Grubaugh-Littig.

Item 5 -- The permit is deficient in that it does not demonstrate a static safety factor of 1.3 for road embankments, as required by R645-301-534.130.

This item was an error on the part of the writer, as the required safety factor has been demonstrated for all roads, and this demonstration is found in Exhibit 553.130a of the plan. Nevertheless, the operator responded to this item in the May 4, 1992 submittal. The response is modified PAP page 500-69, which summarizes the stability analyses of the roads and the efforts made by the operator to bring the Upper Mine Road up to the required stability.

Item 6 -- The permit is deficient in that the reclamation cost estimate found in Exhibit 542.800a lacks essential information and is thus impossible to verify.

Like Item 5, this item was also an error on the part of the writer, as the cross sections and mass balance calculations required by R645-301-542.800 are present in the PAP in Exhibit 542.800a and are summarized in Table 542.800a (page 500-70). The total reclamation cost estimate, which includes a 20% contractor Overhead and Profit cost, a 10% Maintenance and Monitoring cost, and a 10% Engineering and Contingency cost, has been escalated over five years and totals \$4,871,000 in 1992 dollars. The writer has reviewed the reclamation cost

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estimate and has found it to be complete and based on estimation methods which are sound and widely accepted.

RECOMMENDATIONS

The operator has adequately fulfilled all of the requirements of DO-92A. It is recommended that the material submitted by the operator to comply with DO-92A be approved and included in the plan and that DO-92A be terminated.

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